

3/c

Executive Director (Finance)
6th Floor, BSNL Corporate Office,
Bharat Sanchar Bhawan
Harish Chander Mathur Lane
Janpath, New Delhi – 110 001



भारत संचार निगम लिमिटेड
(भारत सरकार का उपक्रम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

No. BSNL/ERP/FICO/2014-15/5
To

Dated 26th August, 2014

The Chief General Manager
WTR/ETR/NTR/STP/ETP/NTP

Sub : - Clarification on formation of Business areas in ERP.

The matter is regarding clarification on the formation of the Business Areas or Primary Accounting Units (PAU) in ERP.

During the ERP review meeting held by Director (CFA) on 13th August, 2014, the Maintenance Circles and Project Circles informed difficulties that they may face after the consolidation of the business areas. The foremost doubts apprehended by the Circles are that the financial power of the DGMs will be diluted and that for every small approval, the GM (Maintenance) has to be approached.

In this regard, several clarifications have already been issued by Corporate Office. The clarifications dated 01.09.2011, 09.09.2011 and 03.05.2013 are enclosed again to allay the apprehension raised by Circles. It is re-iterated that the mechanism proposed does not in any way seek to dilute or supersede the existing Delegation of Financial Powers as issued and amended by BSNL CO from time to time. All functionaries and officers/executives designated as approving authorities will continue to discharge their hierarchical responsibility in ERP in a manner similar to existing system. The approval process (work flow) for sanction of expenditure, estimates, POs, etc. in ERP is open and flexible to the need of the business i.e. the Claims Officer can forward any matter to the officer who is authorized to approve the same.

(A) To further clarify, even after implementation of ERP, the existing financial powers of the officers will continue. Implementation of ERP has not changed the delegation of financial powers in this organization. This is true for all wings of BSNL. In fact, ERP has not been configured with the delegation of financial powers at present. Cases submitted for approval move as per the hierarchy configured in the system. Cross functional movement of a case is also possible by configuring what is called "Exceptional Table". For instance, if a SDE is initiating a case either for purchase order or for service order then, he can select the final approver which is possible for him from the list of approvers available and configured for each SSA

and unit. If a DGM is selected as a final approver, then the case can be approved by the DGM provided the DGM is authorized with the required roles in ERP. If a GM is selected as the final approver for that case, then the GM can approve that case. If the case has to pass through other functional units like Finance (For example CAO) or Civil wing (For example EE Civil) then user can select these officers if they are configured in that Exception Table. Hence, it is clarified here that the officers will continue to exercise the financial powers as they are at present and the work flow in ERP will be as per the hierarchy defined and configured in the system.

(B) Officers approving cases in the ERP System have to use their judgment depending upon the delegation of financial powers given to them. The ERP system shall not give any warning or caution and shall not restrict the user from approving the cases if it is marked as the final approver. Hence, if any proposal exceeds the officer's financial powers then the case has to be returned to the initiator who will again initiate the case with the appropriate authority as the final approver.

(C) It is also clarified hereby that the payment block removal can be done by a DGM provided he is given the role and authorization in ERP. Also, the temporary advance can be sanctioned by the DGM if the system is configured as such. These issues have nothing to do with merging of accounting unit at GM level.

In view of the above, it is clarified that the Business Areas shall be created at GM level only for maintenance and project regions. The structure of WTP shall be re-examined after completion of the ERP Project.

Encl. as above

Executive Director (Finance)

Copy for information to : -

1. Director (Finance)/Director (CFA)
2. Executive Director (CA/IT), BSNL C.O., New Delhi
3. Sr. GM (CIT)/GM (CA)/GM (ERP), BSNL C.O./ERP Development Centre, New Delhi/Ghaziabad